



# NEWS & VIEWS

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*SBA News and Views* is a monthly publication of the SBA Wisconsin District Office. Its purpose is to provide Wisconsin lenders and small business leaders with up-to-date information on SBA programs and small business issues. It is distributed at no cost, and the reprinting of articles is encouraged.

## **SMALL BUSINESSES URGED TO PREPARE FOR NATIONAL GUARD & RESERVE CALL-UPS**

### ***Preparing for Potential Disruption is the Key to Con- tinued Success***

Small business owners and small businesses with essential employees who are members of the Reserve or National Guard should have a plan in place to work through any potential disruption that may result from a broad call-up to active duty.

The SBA Office of Veterans Business Development has created a new Web site where small business owners or small businesses with key employees who are members of the Reserve or National Guard can find relevant information. The first phase of the information website,  
<http://www.sba.gov/reservists/>,

is part of a comprehensive plan to provide members of the National Guard and Reserve who own or are an essential employee of a small business with timely information on all SBA programs and services available to them if and when they are called to active duty.

Through a vast array of programs and services, the U.S. Small Business Administration provides tools to assemble and enact a plan designed to prevent or reduce the potential disruption caused a business by the sudden absence of a key player. The SBA and its resource partners offer managerial, technical and financial assistance, counseling and training to assist small business with any conceivable business-related issue, from how to market their products and services, to financial assistance, to what to do if called to active duty.

Salient among these programs are: basic 7(a) loan guarantee, SBA's primary loan program to help small businesses affected

by the call-up; debt relief on SBA loans in the form of repayment deferrals, interest rate reductions and other assistance.

The site has a list of Veterans Business Development Officers nationwide, information on financial options, business counseling and training and other SBA resources.

Thus far, since the attacks on America on Sept. 11, 2001, more than 100,000 Reserve and National Guard members have been called to active duty. In anticipation of additional call-ups, the SBA has taken these steps to ensure that eligible small businesses are informed of these services.

For more information about SBA programs and services for veteran-owned businesses, visit the office of Veterans Business Development Web site at  
[www.sba.gov/VETS/](http://www.sba.gov/VETS/).

## **PRESIDENT'S FY 04 BUDGET PROPOSAL FOR SBA**

President Bush's proposed FY 2004 budget for the U.S. Small Business Administration provides nearly \$21 billion in support for small business financing, as well as increased funding for priority initiatives that will make the agency more customer-centric.

"The President's budget tackles our nation's top priorities—strengthening homeland security, winning the war on terrorism and expanding economic opportunity," said SBA Administrator Hector V. Barreto. "The SBA's budget designed to address one of those priorities specifically: expanding economic opportunity. It recognizes the vital role that America's 25 million small businesses play in our nation's economy, and demonstrates the President's commitment to small business owners and to an efficient and effective SBA."

The budget proposes a total FY 2004 appropriation of \$797.9 million, maintaining the spending level proposed for FY 2003, and roughly 4 percent larger than the budget for FY 2002.

The budget includes commitments for more than \$20.8 billion in small business loans, loan guarantees and venture capital, and more than \$760 million in new disaster loan funds for victims of natural disasters. Included in that amount is funding for \$9.3 billion in

guaranteed loans under the 7(a) program. The budget proposal includes more than \$115 million for the agency's technical assistance programs, including Small Business Development Centers and the Service Corps of Retired Executives.

The budget also proposes funding for key agency operational and organizational priorities. Chief among them is investment in its transformation initiative designed to make the SBA more customer-centric.

These initiatives include e-government, training and operational transformation plans designed to streamline the agency's delivery of services, free up more employees to directly work with small businesses, and allow more small businesses to access the services they need to succeed.

### **SBA's NEW INTERIM HOMEPAGE – eSBA**

Log on to [www.sba.gov](http://www.sba.gov) and view the SBA's new interim homepage!

SBA is pleased to announce the initial phase of one of the agency's top strategic initiatives: the eSBA.

Throughout the coming months, we will be making the necessary changes to our website to support Administrator Barreto's vision of a more citizen-centered, results-oriented and market based agency. The temporary homepage is the result of the data that we received from numerous usability tests; it

is customer centric and is part of the first steps towards positioning SBA closer to its traditional customers and the greater entrepreneurial community.

It is our goal to create a powerful, customer-centric, virtual SBA. The eSBA will change the agency's current Internet focus from an organizational and programmatic presentation to a customer-centered, functional delivery approach by creating a seamless integration of information and services to our customers across federal and state levels, as well as SBA's resource partners. The eSBA will be a premiere customer-centric portal; a virtual, one-stop Internet site providing information, service and transactions as well as an integrated connection to hands-on assistance and referrals to appropriate resources. The eSBA is not merely a web transformation, but rather a business transformation.

This is only the first step of a large initiative...More to come...

### **NEW REPORT DETAILS GROWTH & RECESSION IN 2001**

*Small Business Economic Indicators,  
2001 Analyzes Data Trends*

The effects of the growth and recession of 2001 on small business are comprehensively explained in *Small Business Economic Indicators, 2001*, the latest research release from the Office of Advocacy of the U.S. Small Business Administration.

*Small Business Economic Indicators, 2001* is the latest in a series of statistical analyses of small businesses and the economic forces that affect them. According to the report, in 2001 "small businesses demonstrated resilience and strength." Moreover, "small firms as a group held their ground: the levels of employer firms and the self-employed were relatively stable compared with the previous year."

"2001 was a tough and tragic year for America," said Thomas M. Sullivan, Chief Counsel for Advocacy. "Recession and terrorism pummeled our economy, and small business took the brunt of the blows. Yet, like the rest of America, small business owners refused to let events drag them down. We knew this was true from anecdotal evidence, but now the data support this as well," he said.

*Small Business Economic Indicators, 2001* contains data detailing the macroeconomic shocks to the economy in 2001. Data tables covering economic trends include: macroeconomic indicators, indicators related to small business, U.S. business measures, number of employer firms by state, number of self-employed by state, employer firm formation and termination rates by state, business bankruptcies by state, financial information by state, and more.

The report is produced by the Office of Advocacy, which examines the role and status of small business in the economy and independently represents

the views of small business to Congress and the President. It is the source for small business statistics presented in user-friendly formats and it funds research into small business issues.

For more information, visit the Office of Advocacy website at [www.sba.gov/advo](http://www.sba.gov/advo).

### **SBA SOLUTIONS**

Are you seeking information and resources that will help you start, grow, and run your small business? Sign up to receive business tips and more from **SBA Solutions**, a FREE e-mail newsletter directly from the U.S. Small Business Administration at <http://web.sba.gov/list/>.

### **IRS UNVEILS OFFSHORE VOLUNTARY COMPLIANCE INITIATIVE**

#### ***Chance for 'Credit-Card-Abusers' to Clear Up Their Tax Liabilities***

Internal Revenue Service officials have announced the launch of an initiative aimed at bringing taxpayers who used "offshore" payment cards or other offshore financial arrangements to hide their income back into compliance with tax law.

Under the Offshore Voluntary Compliance Initiative, eligible taxpayers who step forward will not face civil fraud and information return penalties. However, taxpayers will still have to pay back taxes, interest and certain

accuracy or delinquency penalties.

The Initiative reflects an attempt to bring taxpayers back into compliance quickly while simultaneously gathering more information about the promoters of these offshore schemes. As part of the request to participate, the taxpayer must provide full details on those who promoted or solicited the offshore financial arrangement. The IRS will use this information to pursue promoters.

Under the Initiative, eligible taxpayers will have to file or amend their returns and pay interest and certain civil penalties, as well as the tax. For example, a taxpayer who understated his income to avoid \$100,000 in taxes in 1999 would wind up paying \$149,319 to the government. This includes the tax liability plus \$29,319 in interest and an additional accuracy-related penalty of \$20,000. If a taxpayer did not step forward, his tax liability generally would include the civil fraud penalty of \$75,000, and therefore higher interest of \$42,758. The total amount due would be \$217,758, without considering probable additional civil penalties for failure to file certain information returns.

To apply for the Initiative, taxpayers must notify the IRS in writing and provide their name, taxpayer identification number, current address, daytime phone number and certain promoter information. The last day a taxpayer can apply is April 15, 2003.

Written requests for the Voluntary Compliance Initiative can be sent to:

**Regular Mail:**

National Offshore Voluntary Compliance Initiative Coordinator  
P.O. Box 480  
Bensalem, PA 19020

**Overnight/Special Delivery**

National Offshore Voluntary Compliance Initiative Coordinator  
11601 Roosevelt Blvd.  
Philadelphia, PA 19154  
DP S6005

Those seeking information by telephone should call: 215-516-3537 (not toll-free). In addition, a special e-mail address, [VCI@irs.gov](mailto:VCI@irs.gov), has been set up for taxpayer inquiries. More information on the Initiative can be found on the IRS Web site at [www.irs.gov](http://www.irs.gov).

**BLACK HISTORY MONTH**

Americans have recognized black history annually since 1926, first as "Negro History Week" and later as "Black History Month."

We owe the celebration of Black History Month, and more importantly, the study of black history, to Dr. Carter G. Woodson. Born to parents who were former slaves, he spent his childhood working in the Kentucky coal mines and enrolled in high school at age twenty. He graduated within two years and later went on to earn a PhD from Harvard. The scholar was disturbed to find in his studies that history books

largely ignored the black American population-and when blacks did figure into the picture, it was generally in ways that reflected the inferior social position they were assigned at the time.

Woodson, always one to act on his ambitions, decided to take on the challenge of writing black Americans into the nation's history. He established the Association for the Study of Negro Life and History (now called the Association for the Study of Afro-American Life and History) in 1915, and a year later founded the widely respected Journal of Negro History. In 1926, he launched Negro History Week as an initiative to bring national attention to the contributions of black people throughout American history.

Woodson chose the second week of February for Negro History Week because it marks the birthdays of two men who greatly impacted the American black population, Frederick Douglass and Abraham Lincoln. However, February has much more than Douglass and Lincoln to show for its significance in black American history. For example:

**February 23, 1868**-W.E.B. DuBois, important civil rights leader and co-founder of the NAACP, was born.

**February 3, 1870**-The 15<sup>th</sup> Amendment was passed, granting blacks the right to vote.

**February 25, 1870**-The first black U.S. senator, Hiram R. Revels (1822-1901), took his oath of office.

**February 12, 1909**-NAACP was founded by a group of concerned black and white citizens in New York City.

**February 1, 1960**-In what would become a civil-rights movement milestone, a group of black Greensboro, N.C., college students began a sit-in at a segregated Woolworth's lunch counter.

**February 21, 1965**-Malcolm X, the militant leader who promoted Black Nationalism, was shot to death by three Black Muslims.



**CORRECTIONS**

In January's 2003 issue there were two errors in website addresses. On page one, basic 7(a) Loan Guaranty-[www.sba.gov/loans](http://www.sba.gov/loans) is not valid. Address should be: <http://www.sba.gov/financing/sbaloan/7>

Page 3 under headline of President Bush Moves to Bolster Small Business Economy, last sentence, the website <http://ccr.gov> is not valid. Address should be: <http://www.ccr.gov>.



**SBA LENDERS FOR JANUARY 2003**

**AMCORE BANK NA ROCKFORD** - 1 Loan for \$133,000

**AMERICAN NATIONAL BANK FOX CITIES Appleton** - 1 Loan for \$41,000

**ASSOCIATED BANK NA Green Bay** 14 Loans for \$3,482,100; **Windsor** – 1 Loan for \$150,000;  
**Neenah** – 1 Loan for \$150,000; **Total: 16 Loans for \$3,782,100**

**BANC ONE SERVICES CORP. Columbus, OH** - 1 Loan for \$586,000

**BANK ONE NA Chicago** - 1 Loan for \$414,800

**BANK OF LUXEBURG** - 1 Loan for \$265,000

**BAYLAKE BANK Sturgeon Bay** - 1 Loan for \$207,000

**BUSINESS LOAN CENTER Richmond, VA** - 1 Loan for \$580,000

**CAPITAL ONE FEDERAL SAVINGS BANK Falls Church, VA** - 3 Loans for \$115,000

**CITIZENS STATE BANK & TRUST Ft. Atkinson** - 1 Loan for \$130,000

**COMERICA BANK Detroit, MI** - 1 Loan for \$800,000

**COMMUNITY BANK & TRUST Sheboygan** - 8 Loans for \$2,356,500

**COMMUNITY BANK DELAVAN** - 1 Loan for \$45,000

**COMMUNITY BANK OF GRAFTON** - 1 Loan for \$82,039

**COMMUNITY FIRST CU Appleton** - 2 Loans for \$1,000,000

**COMMUNITY STATE BANK Union Grove** - 2 Loans for \$129,500

**CUNA CREDIT UNION Madison** - 1 Loan for \$123,380

**DELAFIELD STATE BANK** - 2 Loans for \$77,000

**F&M BANK WISCONSIN; Kaukauna** - 2 Loans for \$681,500; **Green Bay** - 1 Loan for \$460,000;  
**Total: 3 Loans for \$1,141,500**

**FIRST BANKING CENTER Lake Geneva** - 1 Loan for \$112,000

**FIRST NATIONAL BANK Hudson** - 1 Loan for \$63,797

**FIRST NATIONAL BANK FOX VALLEY Neenah** - 1 Loan for \$125,000

**FIRST NORTHERN SAVINGS BANK SA Green Bay** - 1 Loan for \$140,000

**HOMETOWN BANK Saint Cloud** - 1 Loan for \$178,000

**INVESTORS COMMUNITY BANK Manitowoc** - 1 Loan for \$554,900

**JOHNSON BANK NA; Madison** - 1 Loan for \$245,400; **Janesville** – 1 Loan for \$140,000  
**Total: 2 Loans for \$385,400**

**KIM SERVICES CU Neenah** - 1 Loan for \$149,900

**M&I MARSHALL & ILSLEY BANK Milwaukee** - 27 Loans for \$3,686,000

**MC FARLAND STATE BANK** - 2 Loans for \$367,000

**MIDDLETON COMMUNITY BANK** - 1 Loan for \$1,021,520

**MONONA STATE BANK** - 1 Loan for \$24,000

**NATIONAL EXCHANGE BANK AND TRUST Fond du Lac** - 1 Loan for \$46,000

**PARK BANK; Holmen** - 1 Loan for \$380,000; **La Crosse** - 1 Loan for \$240,000;  
**Total: 2 Loans for \$620,000**

**PARK BANK Milwaukee** - 2 Loans for \$400,000

**RIVER VALLEY STATE BANK; Eagle River** - 1 Loan for \$100,000; **Rothschild** 1 Loan for \$100,000;  
**Total: 2 Loans for \$200,000**

**ROYAL CREDIT UNION Eau Claire** - 1 Loan for \$383,000

**STATE BANK OF LA CROSSE** - 1 Loan for \$105,000

**STEARNS BANK NA St. Cloud, MN** - 1 Loan for \$92,000

**STEPHENSON NATIONAL BANK AND TRUST Marinette** - 2 Loans for \$1,399,200

**REEDSBURG BANK** - 1 Loan for \$275,000

**US BANK NA Cincinnati, OH** - 4 Loans for \$1,368,200

**WACHOVIA SMALL BUSINESS LENDING INC. Union, NJ** - 1 Loan for \$1,213,000

**WAUKESHA STATE BANK** - 4 Loans for \$317,000

**WELLS FARGO BANK MINNESOTA** - 5 Loans for \$2,613,000

**WISCONSIN BUSINESS DEVELOPMENT FINANCE CORP. Monona** - 10 Loans for \$4,447,000

## **WISCONSIN CALENDAR OF EVENTS**

# ***18<sup>th</sup> Annual Small Business Awards Breakfast***

**Friday  
May 16, 2003**

**Registration:**

**7:00 am – 7:30 am**

**Awards Breakfast**

**7:30 am – 9:00 am**

**Italian Community Center  
631 East Chicago Street  
Milwaukee, Wisconsin**

## ***GUEST SPEAKER***

**Ulice Payne, Jr.**

**President and CEO, Milwaukee Brewers Baseball Club**

**For further information contact Mary Trimmier at: 414-297-1093 or email her at [mary.trimmier@sba.gov](mailto:mary.trimmier@sba.gov)**



# **2003 LENDERS' CONFERENCE**

**APRIL 30 & MAY 1, 2003**

**Kalahari Resort    Wisconsin Dells    Wisconsin**

**FOR:**

**Bank Presidents, CEO's, Board &  
Chamber Directors, CPA's,  
Commercial Lenders, Tellers, Credit Analysts,  
Collection Managers**

**CONFERENCE FEE:**

**\$265 Postmarked or faxed before April 18, 2003  
\$295 After April 18, 2003  
(Does not include golf fee)**

**FEE INCLUDES:**

**Wednesday**

**Kick Off Reception & Keynote Speaker  
Barry Alvarez, Wisconsin Badgers Coach**

**Thursday**

**Breakfast Buffet, Refreshment Breaks,  
Lunch, Conference Material & CD Rom  
Luncheon Speaker-Valerie Daniels Carter,  
Wisconsin's Leading Woman Entrepreneur**

**TO REGISTER CALL:**

**1-800-898-9472 or 715-346-3838  
[www.uwsp.edu/extension](http://www.uwsp.edu/extension)  
click on "Browse our Brochure" then 2003 Lenders Conf.**

**Join us for the 2003 Lenders' Conference Golf Outing on Wednesday, April 30, 2003 at Trappers Turn Golf Course. Fee includes cart, lunch on the course, refreshments, eighteen holes of golf and prizes. Golf fee is \$75 per person. For golf information, call Jules Matsoff at 414-297-3934.**